

WBR 1452.232-81 Payment for Mobilization and Preparatory Work.

As prescribed in WBR 1432.908-80(a), insert a clause substantially the same as follows. The Schedule shall clearly state the not-to-exceed percent amount associated with the mobilization and preparatory work contract line item. The 5 percent amount contained in paragraph (a) may be varied by the contracting officer depending upon the ratio of the estimated amount for mobilization and preparatory work to the total estimated amount for the contract.

PAYMENT FOR MOBILIZATION AND PREPARATORY WORK -- BUREAU OF RECLAMATION (SEP 1995)

(a) *General.* The contract line item for mobilization and preparatory work should not exceed 5 percent of the total original contract amount (See (d)(3),(4) and (5)) below concerning payments exceeding 5 percent) and shall be used by the Government to make payment to the Contractor in accordance with this clause for operations including, but not limited to, those necessary for --

- (1) Movement of personnel, equipment, supplies, and incidentals to the project site;
- (2) The establishment of offices, buildings, plants and other facilities, at the site (excludes temporary buildings (e.g. storage sheds, shops, offices) and utilities listed in the Operations and Storage Areas clause of this contract;
- (3) Payment of premiums for project bonds and insurance; and
- (4) Other work and operations which must be performed or costs incurred incident to the initiation of meaningful work at the site and for which the contract does not otherwise provide for payment.

[Insert the following subparagraph when the contract specification contains a paragraph entitled "Construction Program." "(5) Approved detailed logic diagram(s) and the baseline schedule"].

(b) *Facilities and equipment covered by mobilization work.* (1) All facilities, plant, and equipment which are established at, or brought to, the site shall be deemed to be subject to the provisions of this paragraph unless the Contracting Officer specifically provides other written authorization for a particular item or items.

(2) The Contractor shall be solely responsible for the adequacy, efficiency, use, protection, maintenance, repair, and preservation of all facilities, plant, and equipment on site.

(3) The facilities, plant, and equipment covered by this paragraph shall not be dismantled or removed from the site prior to completion of the work under the contract without the written authorization of the Contracting Officer.

(c) *Termination for default.* Should the Contractor be terminated for default as provided by the Default clause of this contract --

(1) All facilities, plant, and equipment on the site shall be subject to the Government's right to take possession of and utilize such items for the purpose of completing the work;

(2) The Contractor shall provide evidence of encumbrances, liens, or other security interests, to the Contracting Officer; and

(3) Any encumbrance, lien, or other security interest on such facilities, plant, or equipment shall be subordinated to the Government's rights under the Default clause of this contract to utilize all facilities, plant, and equipment to complete the work under the contract.

(d) *Payment.* Payment for mobilization and preparatory work under paragraph (a) of this clause shall be made at the contractor lump-sum price bid for this item as contained in the Schedule. Progress payments for mobilization and preparatory work shall be made as follows --

(1) In accordance with paragraph (g) of the Payments under Fixed Price Construction Contracts clause of this contract and upon submission of a proper invoice, the Government shall reimburse the Contractor for the total amount of premiums paid for performance and payment bonds as required by the Performance and Payment Bond Requirements clause of this contract and for any insurance which may be specified by this contract.

(2) Except as provided in (d)(1)above, progress payments for mobilization and

preparatory work shall not be considered a separate division of work for the purposes of progress payments and shall be subject to retainage before payment of the total amount for this contract line item.

(3) When progress payments totaling 5 percent of the total original contract amount have been made by the Government for all other work accomplished under the contract, the Government shall pay the Contractor 50 percent of the mobilization and preparatory work contract line item amount or 2.5 percent of the total original contract amount (whichever is the lower) exclusive of any payment already made to the Contractor for performance and payment bond premiums and specified insurance under subparagraph (d)(1) of this clause.

(4) When progress payments totaling 10 percent of the total original contract amount have been made by the Government for all other work accomplished under the contract [*Insert the following when the contract specification contains a paragraph entitled "Construction Program": "and upon approval of the detailed logic diagram(s) and baseline schedule"*], the balance of the amount for the mobilization and preparatory work contract line item or 2.5 percent of the total original contract amount (whichever is the lower) shall be paid to the contractor.

(5) If the amount bid for mobilization and preparatory work exceeds the total of the payments allowed under (3) and (4) above, the balance shall be paid when the contract work is substantially complete as determined by the Contracting Officer.

(End of Clause)